

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re:	)	
	)	Case No. 12-12020 (MG)
RESIDENTIAL CAPITAL, LLC, <u>et al.</u> ,	)	
	)	Chapter 11
Debtors.	)	Jointly Administered
	)	

**DECLARATION OF JAMES J. BEHA II**

James J. Beha II declares pursuant to 28 U.S.C. § 1746:

1. I am an attorney admitted to practice before the Courts of the State of New York and the U.S. District Court for the Southern District of New York and am associated with the firm of Morrison & Foerster LLP, counsel to the Debtors and Debtors in Possession. I submit this declaration in support of the Debtors' Objection to Proofs of Claim Filed by The National Credit Union Administration Board as Liquidating Agent for Western Corporate Federal Credit Union and U.S. Central Federal Credit Union (the "NCUA Objection").

2. Attached to this declaration are true and correct copies of the following documents, which are referenced in the NCUA Objection:

Exhibit 1: Office of the Comptroller of the Currency, Federal Reserve System Board of Governors, Federal Deposit Insurance Company, Office of Thrift Supervision, and National Credit Union Administration Board, "Credit Risk Management Guidance for Home Equity Lending" (May 16, 2005).

Exhibit 2: Press Release, Office of the Comptroller of the Currency, Federal Reserve System Board of Governors, Federal Deposit Insurance Company, Office of Thrift Supervision, and National Credit Union Administration Board, "Agencies Issue Credit Risk Management Guidance for Home Equity Lending" (May 16, 2005).

Exhibit 3: NCUA Letter to Credit Unions, Letter No. 05-CU-15, "Increasing Risks in Mortgage Lending" (October 2005).

Exhibit 4: NCUA Office of Inspector General, Material Loss Review of U.S. Central Credit Union, Report #OIG-10-17 (October 18, 2010).

Exhibit 5: NCUA Office of Inspector General, Material Loss Review of Western Corporate Federal Credit Union, Report #OIG-10-19 (November 16, 2010).

Exhibit 6: Second Amended Complaint, *NCUA v. Siravo*, No. 10 Civ. 1597 (C.D. Cal. filed Feb. 22, 2011).

Exhibit 7: Relevant excerpts of the RALI Series 2006-QO6 Prospectus Supplement.

Exhibit 8: Relevant excerpts of the RALI Series 2006-QO10 Prospectus Supplement.

Exhibit 9: Relevant excerpts of the RALI Series 2007-QH2 Prospectus Supplement.

Exhibit 10: Relevant excerpts of the RALI Series 2007-QH3 Prospectus Supplement.

Exhibit 11: Relevant excerpts of the RALI Series 2007-QH5 Prospectus Supplement.

Exhibit 12: Relevant excerpts of the RALI Series 2007-QH6 Prospectus Supplement.

Exhibit 13: Relevant excerpts of the Home Equity Loan Trust 2007-HSA2 Prospectus Supplement.

Exhibit 14: Gretchen Morgenson, *Crisis Looms in Mortgages*, N.Y. Times, Mar. 11, 2007, at A1.

Exhibit 15: *Subprime Lenders Made Record Exceptions*, Reuters: analysts, Apr. 30, 2007.


Exhibit 16: David Cho, *Pressure at Mortgage Firm Led To Mass Approval of Bad Loans*, Wash. Post, May 7, 2007, at A0.

Exhibit 17: Patrick Rucker, Clayton Holdings Subpoenaed in Subprime Probe, Reuters, July 13, 2007.

Exhibit 18: NCUA's Mem. in Opp'n to Mot. to Dismiss at 13, *NCUA v. Siravo*, No. 10 Civ. 1597 (C.D. Cal. May 12, 2011).

3. I declare under penalty of perjury that the foregoing is true and correct.

Dated: New York, New York  
June 20, 2013

  
James J. Beha II